



Beautiful Breakthroughs: Hair Care Innovations

Melaleuca mission is to enhance lives.

**Products designed to improve home and health,
let you look and feel your best.**

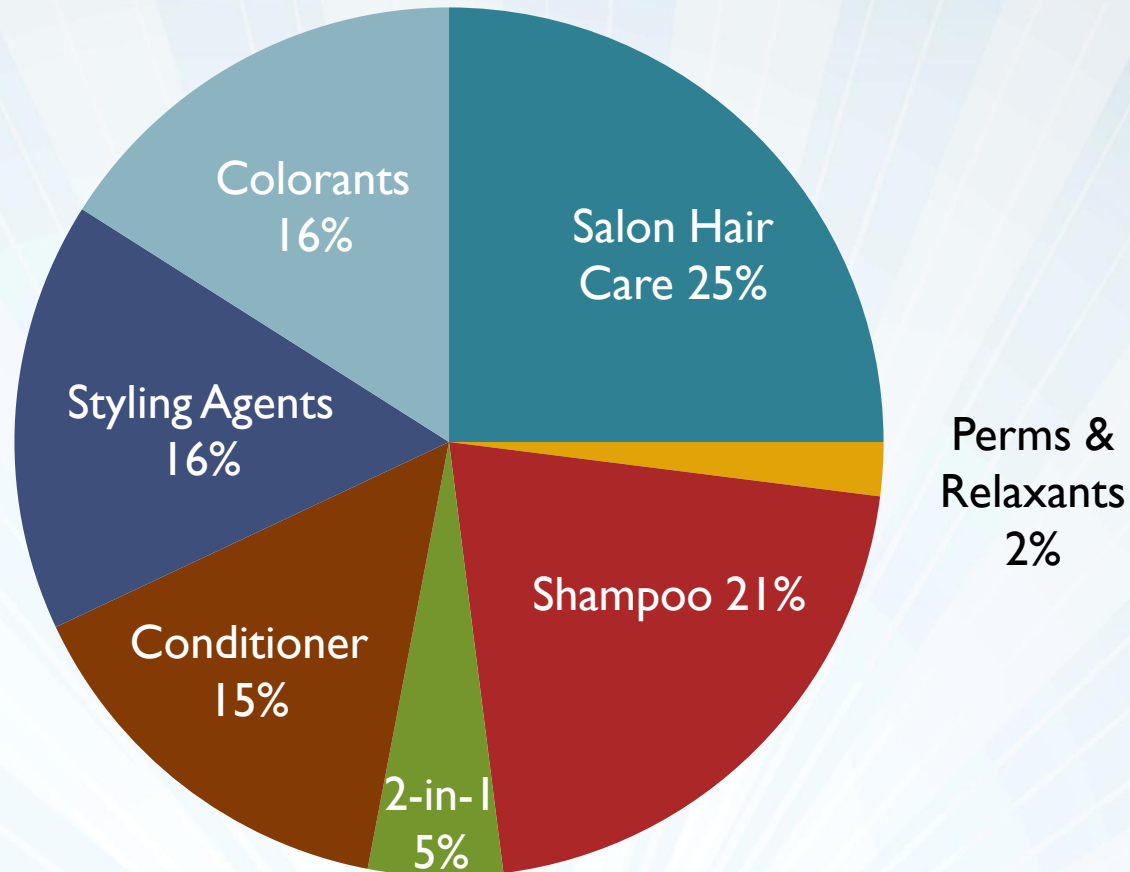
**But as every woman knows, looking and feeling your
best goes beyond nutrition.**

U.S. Hair Care Market

Hair Care—\$10 Billion

Mass Hair Care \$7.1 billion

Salon Hair Care \$2.5 billion

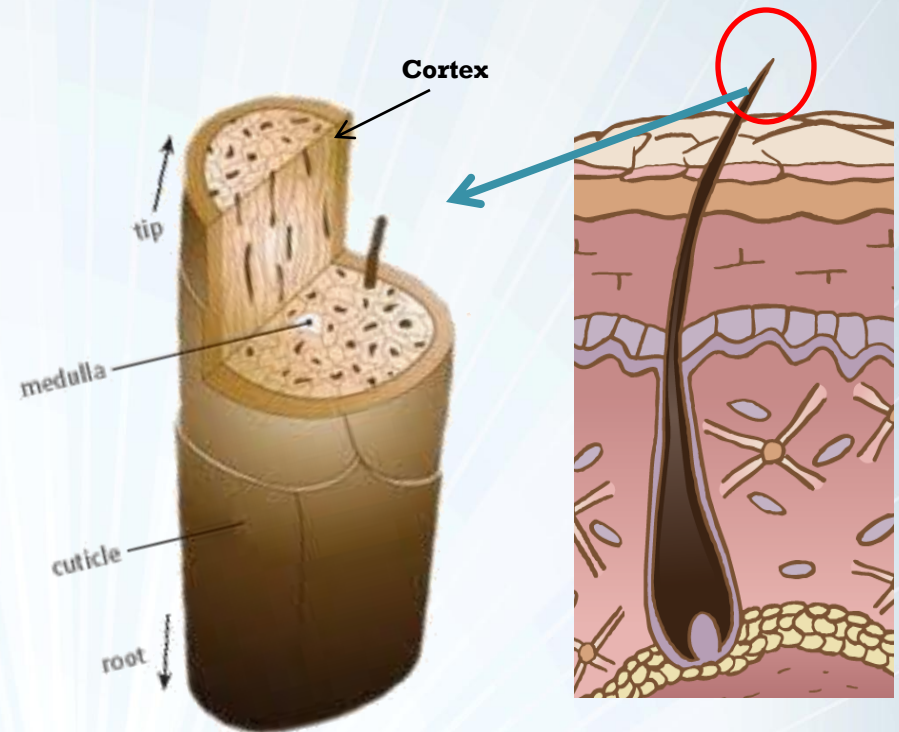


U.S. Hair Care Market – Trends

- Hair health is driving the market
 - Health and condition of hair and scalp
 - Preventing and repairing damage
 - Overprocessed hair
 - Color protection
- Focus on value, simple claims and multipurpose
 - Looking for value
 - Mass Brands = over-segmented, creating confusion
 - Salon Brands = overpriced, multiple products

The Beginnings of Beautiful Hair

- The hair is made up of three layers
 - Hair Medulla – center
 - Hair Cortex – inner layer
 - Hair Cuticle – outermost layer
- Key is to keep cortex and cuticle layers in the best condition possible



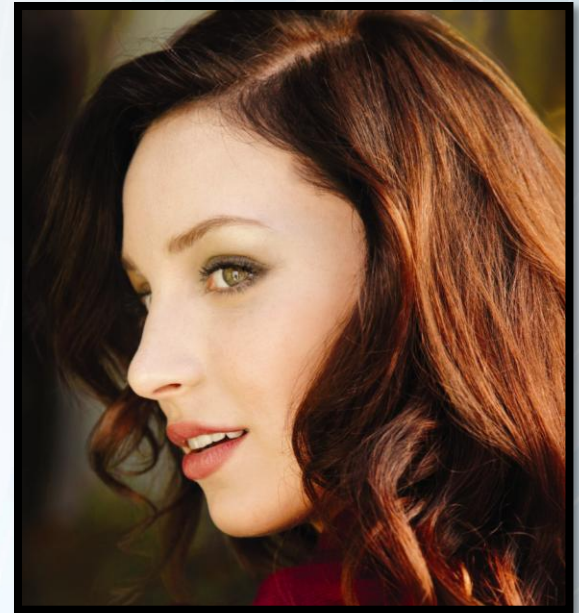
Understanding the Challenge to Deliver

- Healthy hair and stylized hair are at odds with each other
 - Styling hair with blow dryers, flat and curling irons weakens hair
 - Products with harsh ingredients:
 - Strip hair of moisture
 - Accelerate color loss
 - Make hair appear dull
 - Cause breakage



Protecting Color-Treated Hair

- Over 60% of women color their hair
- Coloring hair is an investment
- All hair colors experience some fading
- Hair color molecules rinse out during washing
- Most shampoos accelerate color loss



Affinia™ Hair Care



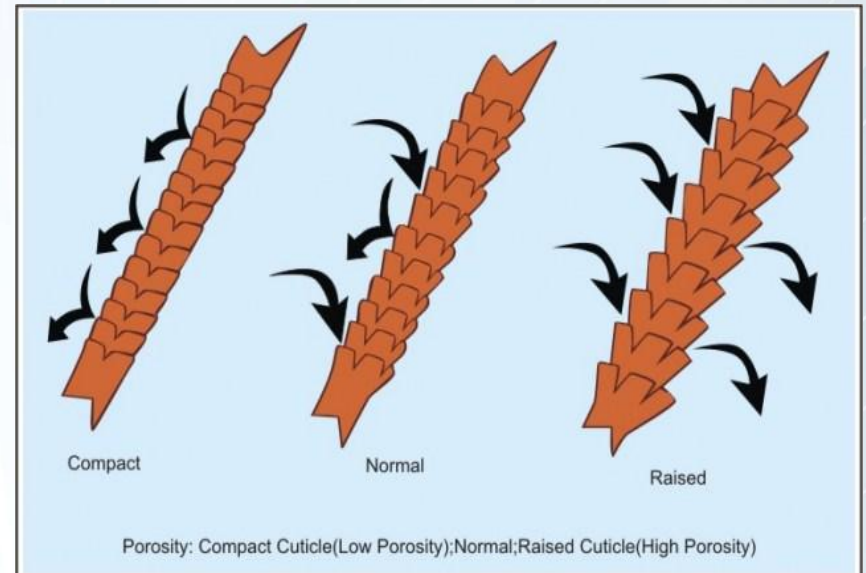
Affinia – Amazing Hair! Amazing Prices!

- Natural, sulfate-free product for under \$5.00
 - First in market
 - High quality you won't find anywhere else
 - Gentle ingredients safe for color-treated hair
 - Major discount compared to department and grocery stores—sulfate-free for \$6.99 up to \$28.00



What are Sulfates?

- Sulfates are not unsafe, they are just not healthy for your hair
- Sulfates are cleansing agents found in most shampoos
 - Effective and safe for cleansing, but harsh for the hair
- Sulfate molecules are small, penetrating the cuticle of the hair
 - Strip away natural moisture and color
 - Increase the likelihood of damage
 - Leave hair prone to breakage, dull, dehydrated, and feeling rough



Sulfate-Free Hair Care

- Gentler on the hair
- Larger molecules wash away dirt, excess oil, buildup
- No damaging effects
- Instead of weakening or damaging hair, sulfate-free hair care:
 - Prevents color from fading
 - Prevents moisture loss
 - Prevents breakage



Affinia™ Sulfate-Free Shampoos & Conditioners

- Shampoos & Conditioners

- **2 Sizes**

- 12 fl. oz.

- 32 fl. oz.

- Benefits

- Three customized formulas

Volumizing – Adds body to fine, limp, or oily hair

Moisturizing – Adds moisture and shine for normal-to-dry hair

Ultra-Moisturizing – Transforms dry, damaged hair



Affinia™ Styling Aids

- Styling Aids
 - Gel
 - Natural Hold Spray
 - Intense Hold Spray
- Benefits
 - Gel – Adds structure while delivering firm hold
 - Natural Hold Spray – Flexible hold
 - Intense Hold Spray – Lasting hold



Sei Bella™ Luxury Hair Care



BUILD A BUSINESS
— TO LAST A —
LIFETIME
THE TIME IS NOW

Sei Bella™ – Luxury Hair Care with a Difference

- Melaleuca innovation
 - Sulfate-free
 - Plus four additional critical benefits



COLOR PROTECTION

Keeps your hair looking vibrant between salon visits



ANTI-BREAKAGE PROTECTION

Reinforces weak spots in your hair for strength and shine



THERMAL PROTECTION

Protects hair from styling damage



UV PROTECTION

Guards against the drying, damaging effects of the sun



- Simple hair care system that delivers results with fewer products

Sei Bella™ Luxury Hair Care Delivers...

Natural nourishing botanicals with latest scientific advancements



Sunflower Extract

Protects and repairs hair against UV damage. Neutralizes free radicals, protecting hair strength and preventing color loss.

Soy Protein

Special protein binds to vulnerable spots like ends of cuticle scales and hair tips, sealing weak points and repairing damage. Soy also infuses hair with moisture for a silky, soft feel.



Sandalwood

Reinforces hair to prevent breakage while adding brilliant shine.

Sei Bella™ Luxury Hair Care delivers...



Jojoba Oil

Smooths the cuticle of hair for softness and shine while deeply conditioning hair and nourishing the scalp.

Avocado Oil

Enhances hair's natural flexibility, building tenacity and preventing breakage. Also nurtures hair with a wealth of conditioners.



Coconut Oil

Softens hair and scalp while conditioning hair for resilience.

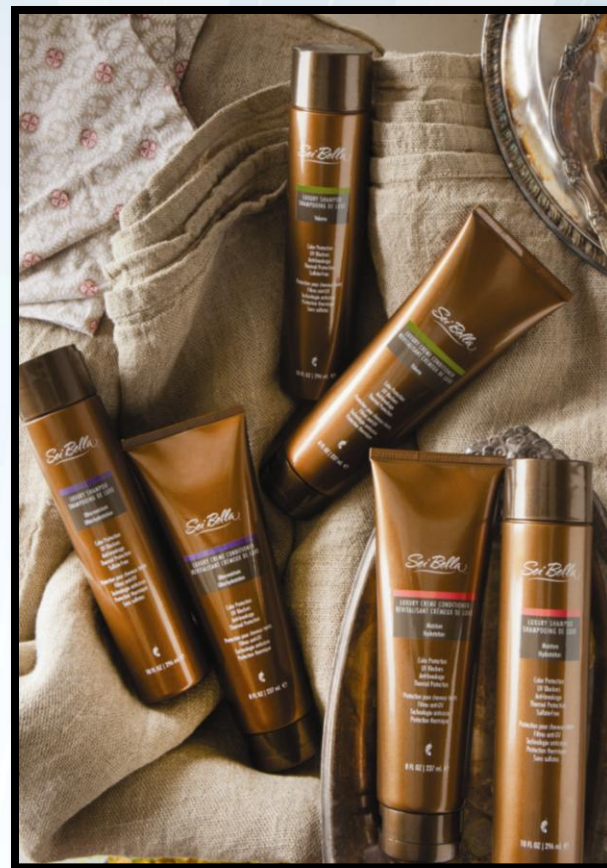
Glycerin

Superior moisturizer attracts hydration to the hair, helping quench even the driest, most damaged locks.



Luxury Shampoos & Creme Conditioners

- Clinically tested ingredients
- Deliver visible results for softer, shinier hair
- Every formula offers sulfate-free cleansers and Protection Complex Technology™
 - Volumizing for thin or limp hair
 - Moisturizing for normal-to-oily hair
 - Ultra-Moisturizing for very dry, brittle or damaged hair



Luxurious Daily Treatments

- Protect the everyday onslaught of damage
- Best defense is good protection
- Fortify against breakage and protect hair from environmental damage

Detangling & Smoothing Spray

Hot Iron Prep Spray



Styling Preparation

- Style needs a dependable basis to go the distance
- Hair will behave better
- Style lasts longer
- Other styling aids will perform better

Amplifying Mousse

Soft Hold Styling Creme



Styling Aids

- Express your style with Sei Bella Styling Aids
- Styling options to enhance your cut, texture, and style



**Texturizing
Pomade**

**Firm Hold
Finishing Spray**

**Classic Hold
Finishing Spray**

**Defining
Gel**

Intensive Treatments

- The occasional indulgence – once a week or once every few months
 - Restore hair's natural strength, vivacity, and shine
 - Advanced hair care therapy

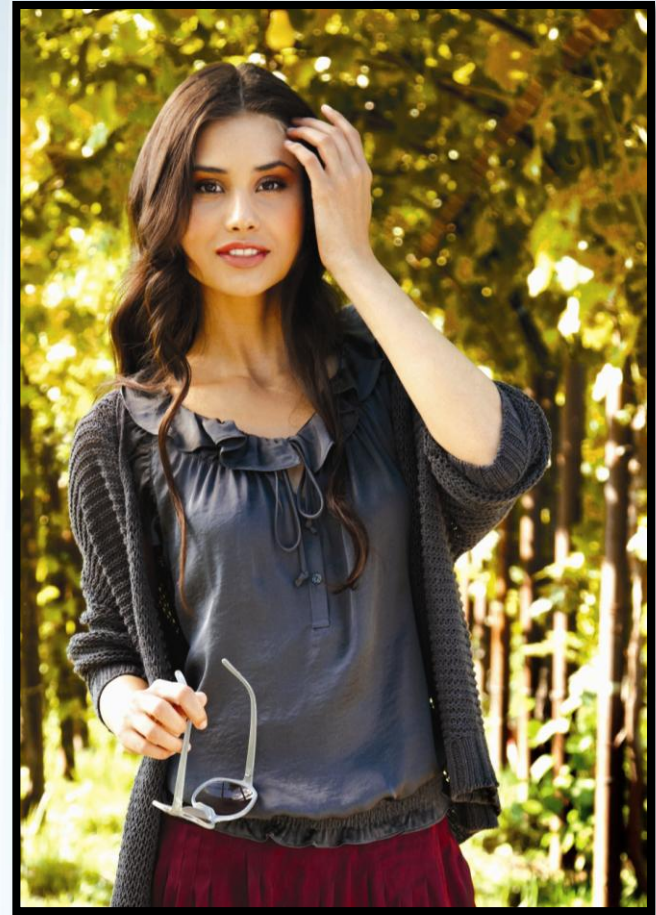
Repair Hair Masque

Detoxifying Wash



Global Product Testing

- Extensive testing conducted from late 2009 to early 2011
- Achieved superior performance vs. Pureology®
 - Color wash fastness
 - Thermal protection
- Product tested globally
- Changes made based on results
- Then tested again to deliver to Melaleuca expectations



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Product Testing

September – November 2010

Moisturizing Shampoo	Pureology	Biolage	Melaleuca
Overall performance		=	√
Easy-to-produce lather			√
Moisturized			√

Moisturizing Conditioner	Pureology	Biolage	Melaleuca
Overall performance	=	=	=
Moisturized			√
Tangle-Free			√

√ = Sei Bella beat competition; = parity

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Affinia™ vs. Competitive Solutions

- First-in-the market sulfate-free shampoos under \$5.00
- Makes healthy hair affordable for every family
- Mass sulfate-free shampoos available at higher prices

Sulfate-Free	Price/ Bottle	Bottle Size	Price/ Oz.
L'Oreal Ever Pure Line	\$6.99	8.5 fl. oz.	\$0.82
Affinia	\$4.99	12 fl. oz.	\$0.42

*Competitor product price from Drugstore.com as of June 8, 2011. Prices may vary.
Trademarks are property of their respective owners.

Sei Bella™ vs. Competitive Solutions

- One product that delivers multi-purpose benefits
- No other brand offers as many benefits in one bottle
- To get the same benefits you would have to buy 4 different Biolage bottles costing \$70-\$80

Sulfate-Free	Price/ Bottle	Bottle Size	Price/ Oz.
Biolage*	\$18.00	10 fl. oz.	\$1.80
Paul Mitchell*	\$20.00	8.5 fl. oz.	\$2.35
Pureology	\$28.00	10 fl. oz.	\$2.80
Aveda	\$24.00	6.7 fl. oz.	\$3.58
Sei Bella	\$15.50	10 fl. oz.	\$1.55

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Affinia™ & Sei Bella™ Hair Care

- Between Affinia and Sei Bella we are competing in the sweet spot
- Product offerings that beat the competition cold
- We have developed products...
 - That work
 - That consumers prefer over leading brands
 - That have unique, differentiated benefits you simply can't find anywhere else